

**Before the
Federal Communications Commission
Washington DC 20554**

In the Matter of:

)	
Request for Review of a decision)	
by the Schools and Libraries Division)	Administrator Correspondence Dated
for Cascade School District 5, Oregon)	January 16 th , 2014
)	
)	
)	
Schools and Libraries Universal Service)	CC Docket No. 02-6
Support Mechanism)	

Request for Review or Waiver

Cascade School District 5
BEN: 144974
Form 471 Number: 970934
FRN: 2543839
Funding Year 2013

Cascade School District (SD) respectfully requests the FCC review this request for a waiver of the 60-day appeal deadline and to overturn the partial funding denial issued by USAC October 30th, 2013 for application #930934

Background

On October 11, 2013 I responded to a letter from PIA regarding contract extensions for two FRNs (see attached). The reviewer asked me a series of questions relating to whether or not there was a competitive bidding process established for the extension, which was not necessary because one contract included an extension clause, and the other didn't require an extension at all as it was still in its initial term. Originally the reviewer requested bid documentation as she was under the impression that we needed to post a 470 and wait 28 days in order to extend the contract. Ultimately I had to explain the rules to the reviewer and she responded that she no longer needed the bid documents.

During this process, it came to light that I had entered the wrong CED for the Meritel FRN (#2386248) on the 2012 application. This appeared to be what triggered the series of questions because the CED changed between 2012 and 2013. The reviewer asked for copies of the extension for FRN 2543839 which I told her I did not have, because the CED for 2012 was wrong and that the original contract term fully covered 2012 and 2013 funding years. I asked her for an extension so that I could find an executed copy of the original contract, which she granted on October 14 with an extension until October 18. However, later that same day the reviewer sent me a new letter stating that there would be a reduction in funding for FRN 254843, and did not ask for any further information. The new letter did not contain any inquiries about FRN 2543839. I erroneously thought that she realized that she no longer needed the other documentation after reviewing my original response.

On October 30th I was notified that FRN 2543839 had been denied in full. I attempted to contact the reviewer to figure out why this happened, but was informed that the reviewer was no longer working for Solix. In retrospect, it was clear that my assumption that the reviewer had all the information she needed was incorrect, however I should have been notified of the funding denial in advance, and given an opportunity to provide the needed documentation as has been the practice in years past. As you will see in the emails, it was also clear that this reviewer did not have a strong understanding of program rules.

I submitted an appeal to USAC on 01/13/2014, past the 60 day appeal deadline, and explained that our offices were closed during the Winter Break (for 7 business days) and that I had also been absent from work both before and after the break due to the hospice care and eventual passing of my grandfather. The appeal was denied on 01/16/2014, with the letter stating that the appeal was postmarked more than 60 days after the date of the FCDL. It is not clear whether the information I provided in the appeal that explained its tardiness was taken into consideration.

We respectfully request that this funding denial be reconsidered, and that we be given an opportunity to provide any needed documentation. This FRN is associated with a multi-year contract that has been funded year after year for several years. There was no attempt to circumvent any program rules as it was simply a misunderstanding between myself and the

reviewer. You will find that there is no evidence of waste, fraud, or abuse in regard to this FRN or the review process.

We respectfully request a waiver of the 60-day deadline so that either USAC or the Commission can consider the above stated request for relief. If you have any questions, please do not hesitate to contact me via phone 503.540.4495 or email Sabrina.Carson@wesd.org

Sincerely:

Sabrina Carson

Consultant for Cascade School District 5

Willamette Education Service District

2611 Pringle Rd SE

Salem, OR 97302

P: 503.540.4495

F: 503.540.2962



FY 2013 E-rate Application Information Request

10/9/2013

Contact Name: Sabrina Carson
Applicant Name: CASCADE SCHOOL DISTRICT
FCC Form 471 Application Number(s): 930934
Response Due Date: 10/12/2013

Dear Applicant:

You were recently sent a written request for additional information needed by the Program Integrity Assurance (PIA) team to review your Funding Year 2013 FCC Form 471 Applications for E-rate discounts. This is a reminder that the response due date is approaching. To date, none of the requested information has been received. The information needed to complete the review is listed below.

I. 28 Day Waiting Period

Issue

Based on the review of your Funding Year 2013 FCC Form 471 application 930934, the same contract number is listed under your prior Funding Year 2012 FCC Form 471 application 874395. However, the Contract Expiration Date (CED) you entered under Block 5, Item 20b for this year's request is different than the CED that appears on your prior funding year request.

The Program rules require that a new FCC Form 470 be posted to the USAC website for at least 28-Days prior to extending an existing contract unless the establishing FCC Form 470 or RFP (if any) for the original contract made all potential bidders aware of your plans to extend the contract beyond its initial term.

For additional information on contracts, see:
<http://www.usac.org/sl/applicants/step03/contracts.aspx>.

Listed below is the discrepancy noted in the CED between this year's and the prior year's requests:

FY 2013 FRN	CED	FY 2012 FRN	CED
2543839	6/30/2014	2386248	6/30/2013
2543843	6/30/2014	2386254	6/30/2013

Questions

To assist us in the review of your application, we need the following information:

1. A copy of the full original contract, signed and dated by the applicant.
2. Copy(ies) of any contract extension(s), signed and dated by the applicant.
3. Any bid documentation related to the original contract.
4. Were the services procured under a State Master Contract? ____ **Yes** ____ **No**
 - a. If **Yes**, what is the name and number of the State Master Contract?
5. Is the State Master Contract available online or been previously submitted to us in connection with the review of another FCC Form 471 application? ____ **Yes** ____ **No**
 - a. If **Yes**, what is the FCC Form 471 application that was involved?
 - b. If **No**, please provide a copy of the State Master Contract
6. Did the CED change from what was reported on your prior year request? ____ **Yes** ____ **No**
7. Was the FCC Form 470 # 187440001018920 the FCC Form 470 that established the competitive bidding process for the contract extension? ____ **Yes** ____ **No**
 - a. If **Yes**, please confirm in writing.
 - b. If **No**, please provide the 15-digit FCC Form 470 number that established the competitive bidding process for the contract extension. (If the correct FCC Form 470 was posted by your State and if the requested service is being purchased from a State Master Contract, please let us know.)
The FCC Form 470 that established the bidding is:

8. Was a FCC Form 470 posted for the required 28 day period for the extension? ____ **Yes** ____ **No**
 - a. If **Yes**, please confirm in writing.
 - b. If **No**, please provide an explanation.
9. Was the CED changed based on an extension option/clause in the original FCC Form 470 or RFP? ____ **Yes** ____ **No**

Please submit the necessary information within the 15 calendar day deadline of this request. Failure to respond may result in a reduction or denial of your funding request(s).

Response Reminders

Please email or fax the requested information to my attention. If you have any questions or you do not understand what we are requesting, please feel free to contact me.

It is important that we receive all of the information requested **within 15 calendar days** so we can complete our review of your application(s). **If we do not receive the requested information by 10/12/2013, your application(s) will be reviewed using the information currently on file. Failure to send all of the information requested may result in a reduction or denial of funding. If you need additional time to prepare your response, please let me know as soon as possible.**

Should you wish to cancel your FCC Form 471 application(s), or any of your individual funding requests, please clearly indicate in your response that it is your intention to cancel an application or funding request(s). Include in any cancellation request the FCC Form 471 application number(s) and/or funding request number(s), and the complete name, title and signature of the authorized individual.

Thank you for your cooperation and continued support of the Universal Service Program.

Sincerely,

Beth Pagella Hyson
PIA Reviewer
Program Integrity Assurance
USAC, Schools and Libraries Division
Phone: 973-581-6719
Fax: 973-599-6538
E-mail: beth.hyson@sl.universalservice.org

Attachment 2: Discussion with Reviewer regarding
contract extension.

From: [Hyson, Beth](#)
To: [Carson, Sabrina](#)
Subject: RE: CASCADE SCHOOL DISTRICT -Application 930934
Date: Monday, October 14, 2013 6:17:40 AM

Hi Sabrina,

Your new Response Due Date is October 18, 2013.

Thank you,

From: Carson, Sabrina [mailto:Sabrina.Carson@wesd.org]
Sent: Friday, October 11, 2013 7:14 PM
To: Hyson, Beth
Subject: RE: CASCADE SCHOOL DISTRICT -Application 930934

Beth,

Please find attached the full text of the original contract for FRN 2543843. I was not able to reach anyone from Cascade in time, so all I have to provide you right now is the copy of the contract that was signed by the applicant. If you need to see it countersigned, i will have to try and obtain that next week.

I do not have documents for 2543839 at this time. I believe that the CED on the previous 471 was in error. The initial term of the contract was 10 years. However I will have to get you that documentation next week. I'm sorry for the delay but i'm doing the best I can to provide you with timely info.

These questions/answers apply to FRN 2543843. It is unclear to me whether I should answer them for FRN 2543839, but judging from question 4, I assume not.

1. Were the services procured under a State Master Contract? ____Yes __X__ No
 - a. If **Yes**, what is the name and number of the State Master Contract?
2. Is the State Master Contract available online or been previously submitted to us in connection with the review of another FCC Form 471 application? ____Yes __X__ No
 - a. If **Yes**, what is the FCC Form 471 application that was involved?
 - b. If **No**, please provide a copy of the State Master Contract
3. Did the CED change from what was reported on your prior year request? __X__Yes ____ No
4. Was the FCC Form 470 # 187440001018920 the FCC Form 470 that established the competitive bidding process for the contract extension? ____Yes ____ No -
470 #187440001018920 was the establishing 470 for this contract. The contract extension

was written into the contract during that procurement/application cycle (FY2012).

- a. If **Yes**, please confirm in writing.
- b. If **No**, please provide the 15-digit FCC Form 470 number that established the competitive bidding process for the contract extension. (If the correct FCC Form 470 was posted by your State and if the requested service is being purchased from a State Master Contract, please let us know.)

The FCC Form 470 that established the bidding is:

5. Was a FCC Form 470 posted for the required 28 day period for the extension?

☐ **Yes** ☒ **No** **It was not necessary to post a form 470 or the extension because it was written into the contract.**

- a. If **Yes**, please confirm in writing.
- b. If **No**, please provide an explanation.

6. Was the CED changed based on an extension option/clause in the original FCC Form 470 or RFP? ☐ **Yes** ☒ **No** **After FY2011 there was no longer a "voluntary extension" box on the Form 470. A formal RFP was not required for a procurement of that size according to state and local procurement rules. Therefore the extension was made part of the contract itself.**

I need to request an extension in order to obtain the other documents you need. Please confirm the new deadline date.

From: Hyson, Beth [beth.hyson@solixinc.com]
Sent: Thursday, October 10, 2013 11:49 AM
To: Carson, Sabrina
Subject: RE: CASCADE SCHOOL DISTRICT -Application 930934

Sabrina,

We need from you copies of Original contracts for FRN 2543839 and FRN 2543843, and the extension documentation for 2543839. Please also return to me the attached letter with responses.

You do not need to worry about bid documents.

Thank you,

From: Carson, Sabrina [mailto:Sabrina.Carson@wesd.org]
Sent: Wednesday, October 09, 2013 4:22 PM

To: Hyson, Beth
Subject: RE: CASCADE SCHOOL DISTRICT -Application 930934

Thank you for the extension, but I'm a little confused. This series of questions doesn't make sense. Why am I being asked for bid documents? The services in question were funded in FY2012 and are simply being extended. I have already provided you with the documentation showing that. This series of questions seems to be related to the old rule that the extension box 7b (which no longer exists) must be checked in order extend and existing contract, which we have already established is not the case. The IT director at Cascade has left and there is someone new in that position. I may not be able to get these documents to you by Saturday (which is not a normal work day for us BTW) so another extension may be needed. In any case I'm trying to understand what exactly the issue is here. Please advise.

Sabrina Carson

e-Rate Coordinator
Willamette Education Service District
2611 Pringle Rd SE
Salem, OR 97302
P: 503.540.4495
F: 503.540.2962

From: Hyson, Beth [<mailto:beth.hyson@solixinc.com>]
Sent: Wednesday, October 09, 2013 7:25 AM
To: Carson, Sabrina
Subject: RE: CASCADE SCHOOL DISTRICT -Application 930934

Hi Sabrina,

Your new Final Due Date is October 12th, 2013. Please ensure you return the attached letter completed and documentation to support the issues therein.

Thank you,

From: Carson, Sabrina [<mailto:Sabrina.Carson@wesd.org>]
Sent: Tuesday, October 08, 2013 12:48 PM
To: Hyson, Beth
Subject: RE: CASCADE SCHOOL DISTRICT -Application 930934

Beth,

The contract itself contains the option for a voluntary extension. There is no longer a checkbox 7b (as of FY2011) on the 470 indicating voluntary extensions, therefore the contract document was the instrument used to allow the extension. I have attached the page of the original contract that contains the language pertaining to terms. Please also find attached the signed and countersigned extension document, which was executed well before the filing of the Form 471, per USAC and FCC rules.

Please also see the guidance listed on USAC's website regarding voluntary extensions:

<http://www.universalservice.org/sl/applicants/step03/contracts.aspx>

"For contracts signed pursuant to FCC Forms 470 posted for funding years beginning with FY2011, an applicant can sign a multi-year contract or a contract with voluntary extensions without indicating this intent. However, note that the decision to extend a contract with voluntary extensions must occur before the FCC Form 471 is filed for the funding year when the contract would otherwise expire."

The above language applies to this situation because the Edline contract was the result of a Form 470 filed in FY 2012.

Please let me know if there is any further information you need.

Sabrina Carson

e-Rate Coordinator
Willamette Education Service District
2611 Pringle Rd SE
Salem, OR 97302
P: 503.540.4495
F: 503.540.2962

From: Hyson, Beth [<mailto:beth.hyson@solixinc.com>]
Sent: Friday, September 27, 2013 7:59 AM
To: Carson, Sabrina
Cc: 'dion.baird@ode.state.or.us'
Subject: CASCADE SCHOOL DISTRICT -Application 930934

Hi Sabrina,

Please see attached Reminder letter regarding CASCADE SCHOOL DISTRICT, Application 930934.

Please advise if you have any questions.

I have copied your State E-Rate coordinator.

Thank you,

Beth Pagella-Hyson

Associate Manager, Program Integrity Assurance
30 Lanidex Plaza West| Parsippany, NJ 07054
T:973.581.6719| F:973.599.6538
Beth.Hyson@sl.universalservice.org

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FY 2013 E-rate Application Information Request

10/14/2013

Contact Name: Sabrina Carson

Applicant Name: CASCADE SCHOOL DISTRICT 5

FCC Form 471 Application Number(s): 930934

Response Due Date: 10/26/2013

Dear Applicant:

The Program Integrity Assurance (PIA) team is in the process of reviewing your Funding Year 2013 FCC Form 471 Applications for E-rate discounts. To complete our review, we need additional information, which is listed below.

Eligibility of the Services

I. *Issue*

Based on the documentation that you have provided during the review of your Funding Year 2013 FCC Form 471 930934, we have determined that FRN 2543843 includes ineligible items. This is a violation of the Program rules and therefore, the funding request amount associated with the ineligible items must be removed.

For further information, see "Cost Allocation Guidelines for Products and Services" located in the Reference Area of the SLD Web site at: <http://www.usac.org/sl/applicants/beforeyoubegin/eligible-services/cost-allocations.aspx>.

Listed below are the ineligible items and their associated costs:

Ineligible Services	Associated Cost
Edline Eneligible Service of 5%	\$511.80

Question

Please confirm if you agree with the cost allocation. ____ Yes ____ No

If Yes:

- No additional information is required for this issue.

If No:

- **Option I: Alternative Cost Allocation**

If you disagree with the cost allocation outlined above, an alternative cost allocation method or formula which provides the specific cost(s) for the ineligible items is needed.

To do so, provide an explanation of the costs associated with these ineligible items and provide documentation, such as bills, to support your answer. All cost-allocations must be based on tangible criteria and reach a realistic result.

- **Option II: Products/Services Eligibility**

If you disagree with our eligibility determination of your items, please provide third party documentation which demonstrates that the items are eligible for E-rate funding.

- **Option III: Splitting the FRN**

If you disagree with the two options mentioned above, you can remove the funding request amount associated with the ineligible items from the above-referenced FRN. This funding request amount will then be placed in a new FRN (we refer to this process as "splitting an FRN"). Would you like to split the above-referenced FRN? ☐ **Yes**
☐ **No**

Providing Information for the New FRN

In order to assist us in creating the new FRN that will be used to remove the funding request amount associated with the ineligible items, you must provide us with the information for the new FRN.

You can "split" the FRN by:

- Modifying the current FRN information found in Block 5 of your FCC Form 471 by reducing it in order to remove the cost associated with the ineligible items.
- Providing the Block 5 information for the original FRN (pre and post-split FRN). The post-split FRN will be a request for the amount of the original FRN with the ineligible cost removed.
- Completing Block 5 for the new FRN using the blank Block 5 form attached to this letter. The new FRN will be a request for the cost associated with the ineligible items. This FRN will then be denied because it represents the cost associated with the ineligible items.

For additional guidance on filling out your Block 5, please refer to the FCC Form 471 filing instructions at http://www.usac.org/res/documents/sl/pdf/forms/471i_fy05.pdf.

Please submit the necessary information within the 15 calendar day deadline of this request. Failure to respond may result in the denial or reduction of your funding request(s).

Response Reminders

Please email or fax the requested information to my attention. If you have any questions or you do not understand what we are requesting, please feel free to contact me.

It is important that we receive all of the information requested **within 15 calendar days** so we can complete our review of your application(s). **Failure to send all of the information requested may result in a reduction or denial of funding. If you need additional time to prepare your response, please let me know as soon as possible.**

Should you wish to cancel your FCC Form 471 application(s), or any of your individual funding requests, please clearly indicate in your response that it is your intention to cancel an application or funding request(s). Include in any cancellation request the FCC Form 471 application number(s) and/or funding request number(s), and the complete name, title and signature of the authorized individual.

Thank you for your cooperation and continued support of the Universal Service Program.

Sincerely,

Beth Pagella Hyson
PIA Reviewer
Program Integrity Assurance
USAC, Schools and Libraries Division
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Fax: 973-599-6538
E-mail: beth.hyson@sl.universalservice.org